| **Process Name**: Accounts Receivable | **Process Identifier: AR** |
|---|---|
| **Sub-Process Name:** Reconciliation | **Sub-Process Identifier**: AR-5 |

**Sub-Process Purpose and Objectives:** To reconcile cash in bank for collected funds.

**Sub-Process Description**: The State uses STARS to collect the necessary information to properly reconcile cash in bank.

A monthly bank statement or file and daily debit/credit memo statements are received from the respective banks at treasury. Additionally, STARS produces a monthly deposit file to be used in the reconciliation of cash in bank. Treasury uses these inputs and the reconciliation of electronic funds from the ACH process to begin the reconciliation process. Treasury sends identified reconciling items to the respective agencies for review and resolution. They also send a copy of these reconciling items to Statewide Accounting (Accounts) for review. If the reconciling item is an unrecorded deposit, the agency records the deposit in as in process A-3. Otherwise, the agency sends the resolution of reconciling and memo items to Accounts, who record & post the adjusting JV in STARS. If the responsible agency cannot be identified for the reconciling item, Treasury researches the item for a reasonable period of time. If the item is not identified by this time, it is written off via a JV, which is reviewed and posted by Accounts.

| Sub-Process Trigger(s): | Key Sub-Process Participants: |
|---|---|
| • Bank Statement <br> • DR/CR Memo <br> • Monthly Deposit File from STARS | • Agency <br> • Treasury <br> • Statewide Accounting <br> • Bank |

**Inputs:**

| Input | Format | Volume/Time | Suppliers |
|---|---|---|---|
| Bank Statement | Manual/Electronic | Monthly | Bank |
| DR/CR Memo Statement | Manual | Daily | Bank |
| Monthly Deposit File | Electronic | Monthly | STARS |

**Outputs:**

| Process Name: Accounts Receivable | | Process Identifier: AR | |
|---|---|---|---|
| **Sub-Process Name:** Reconciliation | | **Sub-Process Identifier**: AR-5 | |
| **Output** | **Format** | **Volume/Time** | **Recipients** |
| None | | | |
| | | | |
| | | | |

| Performance Measures Tracked: | | |
|---|---|---|
| **Measure** | **Approx. Value** | **Target Value** |
| None | | |

**Laws, Regulations, and Policies That Govern Sub-Process:** Same as other financials

**Current Sub-Process Issues/Problems:**

**Improvement Opportunities:**

| **Opportunity** <br> *Merge cells to link one Opportunity to multiple impacts)* | **Organizational Impacts** <br> *(Individually list and describe laws [L] regulations [R], and policies [P], as well as cultural [C] considerations for each opportunity)* |
|---|---|
| | |

**Applications that Support the Sub-process**

| **Application Name(s)** <br> *(Internal name and vendor's name)* | **Technology Description** <br> *(Programming vendor, language, platform, database, etc.)* |
|---|---|
| Statewide Accounting and Reporting System (STARS) | STARS is KPMG's mainframe governmental accounting system. It is written in COBOL and uses an IMS database. |

| | |
|---|---|
| **Process:** AR Accounts Receivable/Revenue | **File:** AR-1.vsd |
| **Sub-Process:** AR-5 Reconciliation | **Date:** 09/02/02 |
| **Prepared By:** Salvaggio, Teal and Associates | **Page:** 1/1 |



**Agency**
- Identified Reconciling Items for Review
- Unrecorded Deposit? — Yes → AR-3-1 Recording Deposit / No

**Statewide Accounting**
- Copy of Identified Reconciling Items
- Resolution of Reconciling & Memo Items
- Record & Post E-type JV
- Review, Correct & Post JV

**Treasury**
- AR 3-5 Reconciliation of Electronic Funds
- Cash in Bank Reconciliation Process
- Responsible Agency Identified? — Yes / No
- Research Unidentified Items
- Identified within x period? — Yes / No
- Create Write-Off JV

**Bank**
- Monthly Bank and DR/CR memo Statements
- Monthly Bank Statement or File
- DR/CR memo Statement

**Collection Agency**

**STARS**
- Monthly Deposit File Created
- Monthly Deposit File
- Process JV
- JV created
- Process JV